

FILED
0012/8/04

**BEFORE THE
 SOUTH CAROLINA
 PUBLIC SERVICE COMMISSION**

Joint Petition of

**STARTEC GLOBAL LICENSING
 COMPANY**

and

TELIGENT SERVICES, INC.

For Approval to Transfer South Carolina
 Customer Assets

Docket No. 2004-282-C

SC PUBLIC
 SERVICE
 COMMISSION
 2004 DEC -8 PM 12:40
 PREFILED

PREFILED TESTIMONY OF JEFFREY POERSCH

Q. Please state your name, title, and business address.

A. My name is Jeffrey Poersch. I am General Counsel for Startec Global Communications Corporation. My business address is 1151 Seven Locks Road, Potomac, Maryland 20854.

Q. How long have you been employed with Startec.

A. I have been employed with Startec since June of 1999.

Q. Have you testified previously before the South Carolina Public Service Commission?

A. No.

Q. Have you read the instant Petition?

A. Yes, I have.

Q. What is the purpose of your testimony?

1 **A.** The purpose of my testimony is to describe and support the Joint Petition of Startec
2 Global Licensing Company and Teligent Services, Inc. for authority to transfer South
3 Carolina customer assets.

4 **Q.** **Please provide a brief summary of the transaction at hand.**

5 **A.** The proposed transaction involves the transfer to Startec of Teligent's South Carolina
6 commercial long distance customer base and associated customer account information.

7 **Q.** **Please describe Startec.**

8 **A.** Startec is a Delaware corporation with its principal place of business located at 1151
9 Seven Locks Road, Potomac, Maryland. Startec is a wholly owned subsidiary of Startec
10 Global Communications Corporation, a Delaware corporation whose principal business is
11 telecommunications.

12 Startec is authorized to provide resold interexchange telecommunications services
13 in South Carolina pursuant to the Certificate granted by Commission Order No. 1999-
14 109, issued in Docket No. 98-606-C (Feb. 10, 1999). Further information concerning
15 Startec's technical, managerial and financial qualifications to provide service was
16 submitted with its application for certification and is therefore a matter of public record.
17 Startec respectfully requests that the Commission take official notice of that information
18 and incorporate it by reference herein.

19 **Q.** **Please describe Teligent.**

20 **A.** To my knowledge, Teligent is a Delaware corporation with its principal place of business
21 located at 460 Herndon Parkway, Suite 100, Herndon, Virginia. Teligent is a wholly owned
22 subsidiary of Teligent, Inc., a privately held Delaware corporation whose principal business
23 is telecommunications. Teligent is authorized to provide resold and facilities-based

1 interexchange and local exchange telecommunications services in South Carolina pursuant
2 to the Certificate granted by Commission Order No. 98-321, issued in Docket No. 97-518-C
3 (May 1, 1998). Although Teligent is authorized to provide local exchange services in South
4 Carolina; Teligent does not currently provide local services to any South Carolina
5 consumers.

6 **Q. Please completely describe the Transaction**

7 **A.** Startec has determined that the acquisition of Teligent's long distance customer base will
8 enable Startec to expand its operations in a cost-efficient manner, thereby enhancing its
9 competitive position and ability to provide integrated telecommunications services to
10 customers in South Carolina as well as other states. To that end, Startec and Teligent
11 have entered into an agreement whereby Startec will acquire Teligent's South Carolina
12 long distance customers, including associated customer account information. As
13 mentioned, both Startec and Teligent are authorized to provide long distance services in
14 South Carolina.

15 The proposed transaction does not involve the transfer of network facilities or
16 telecommunications equipment in the State of South Carolina nor does it involve a
17 transfer to Startec of Teligent's South Carolina Certificate. Following consummation of
18 the transaction, Startec will provide services to the former long distance customers of
19 Teligent pursuant to Startec's own Certificate.

20 The proposed asset transfer will be virtually transparent to Teligent's South
21 Carolina customers in terms of the rates and terms and conditions of service that these
22 customers currently receive.

1 **Q. Please describe the effect of the Transaction on the provision of intrastate services to**
2 **Teligent's South Carolina subscribers.**

3 **A.** The Transaction will not affect end-user services and will be virtually transparent to
4 Teligent's South Carolina customers. To ensure a seamless transition, the South Carolina
5 customers have been given not less than 30 days prior written notice of the proposed
6 transfer, in compliance with the rules of the Federal Communications Commission
7 governing carrier-to-carrier customer base transfers. In addition, Startec will amend its
8 South Carolina tariff, to the extent necessary, to include Teligent's applicable rates and
9 charges for the services that the South Carolina Customers currently receive from
10 Teligent. As a result, the proposed asset transfer will be virtually transparent to affected
11 South Carolina customers in terms of the rates and terms and conditions of service that
12 these customers currently receive.

13 Petitioners emphasize that the proposed transaction does not involve a transfer to
14 Startec of Teligent's South Carolina Certificate to provide intrastate long distance
15 services. Following closing, the services that the South Carolina customers currently
16 receive from Teligent will be provided by Startec pursuant to the Certificate granted to
17 Startec.

18 **Q. Please describe the public interest benefits associated with the Transaction.**

19 **A.** Grant of this Petition will serve the public interest by enhancing competitive choices for
20 South Carolina consumers. Specifically, the proposed transaction will benefit South
21 Carolina consumers by accelerating Startec's ability to offer a broad range of
22 telecommunications products and services. By enhancing Startec's ability to provide

1 innovative and diversified services, and to expand its operations in a cost-effective manner,
2 the asset transfer will enable Startec to strengthen its competitive position. These
3 enhancements in turn will ultimately inure to the benefit of South Carolina consumers, by
4 promoting innovation and furthering competition among providers in the South Carolina
5 telecommunications marketplace. South Carolina consumers therefore will ultimately
6 benefit from the proposed transfer of Teligent's assets to Startec.

7 As noted, affected South Carolina customers have been given prior written notice
8 of the transfer of their account to Startec, in compliance with the FCC's customer notice
9 rules. Following the transfer, these customers will continue to receive services which
10 will be consistent with the quality of services currently provided by Teligent and which
11 will be supported by Startec's experienced and well-qualified management team. As a
12 result, the proposed transfer will be virtually transparent to the South Carolina customers
13 in terms of the rates and terms and conditions of service that these customers currently
14 receive. The public interest therefore will be served by approval of this Petition.

15 **Q. Does this conclude your testimony?**


16 **A.** Yes, it does.

STATE OF MARYLAND
COUNTY OF MONTGOMERY

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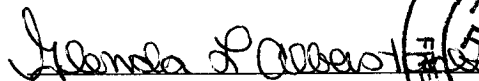
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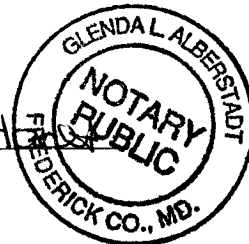
I, Jeffrey L. Poersch, state that I am Secretary of Startec Global Licensing Company, a Party in the foregoing filing; that I am authorized to make this Verification on behalf of Startec Global Licensing Company; that the foregoing testimony was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.


Jeffrey L. Poersch

Secretary
Startec Global Licensing Company

Sworn and subscribed before me this 7th day of December, 2004.


Notary Public



My commission expires August 1, 2007.